

**ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
ARGONIA, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2014**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Argonia Unified School District No. 359
Argonia, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of **Argonia Unified School District No. 359, Argonia, Kansas**, as of and for the year ended **June 30, 2014** and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Education
Argonia Unified School District No. 359

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by **Argonia Unified School District No. 359, Argonia, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Argonia Unified School District No. 359, Argonia, Kansas**, as of **June 30, 2014**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Argonia Unified School District No. 359, Argonia, Kansas**, as of **June 30, 2014**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, agency funds schedules of regulatory basis cash receipts and disbursements, district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash, Recreation Commission schedule of regulatory basis receipts and expenditures-actual and budget (Regulatory-Required Supplementary Information as listed in the table of contents) and schedule of expenditures of federal awards (Federal Award Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
Argonia Unified School District No. 359**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget and Recreation Commission schedule of regulatory basis receipts and expenditures-actual and budget (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2013 basic financial statement upon which we rendered an unmodified opinion dated September 27, 2013. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
August 19, 2014

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add		Ending Cash Balance
						Encumbrances and Accounts Payable		
General Fund	\$ 1,380	\$ 0	\$ 1,728,935	\$ 1,728,935	\$ 1,380	\$ 0	\$ 0	\$ 1,380
Special Purpose Funds								
Supplemental General	45,017	0	512,757	530,000	27,774	0	0	27,774
At Risk (4 Year Old)	0	0	700	700	0	0	0	0
At Risk (K-12)	0	0	60,241	60,241	0	0	0	0
Capital Outlay	476,313	0	1,229,362	1,255,989	449,686	0	0	449,686
Driver Training	736	0	4,771	3,507	2,000	0	0	2,000
Food Service	28,100	0	77,357	80,457	25,000	0	0	25,000
Special Education	99,992	0	361,818	308,913	152,897	0	0	152,897
Vocational Education	0	0	91,688	86,688	5,000	0	0	5,000
KPERS Contribution	0	0	124,360	124,360	0	0	0	0
Federal Funds	(2,131)	0	51,488	49,357	0	0	0	0
Contingency Reserve	110,000	0	0	0	110,000	0	0	110,000
Textbook and Student Material								
Revolving	44,255	0	27,747	52,002	20,000	0	0	20,000
District Activity Funds	3,693	0	11,923	12,084	3,532	0	0	3,532
Related Municipal Entity								
Recreation Commission	107,141	0	41,786	51,710	97,217	0	0	97,217
	<u>\$ 914,496</u>	<u>\$ 0</u>	<u>\$ 4,324,933</u>	<u>\$ 4,344,943</u>	<u>\$ 894,486</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 894,486</u>

Composition of Cash:		
Checking Accounts	\$	809,948
Savings Account		2,669
Related Municipal Entity		<u>97,217</u>
Agency Funds		909,834
		<u>(15,348)</u>
	\$	<u>894,486</u>

The notes to the financial statement are an integral part of this statement.

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Argonia Unified School District No. 359 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Argonia, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters. The financial statement presents **Argonia Unified School District No. 359** (the primary government) and its related municipal entity. The related municipal entity is included in the District's reporting entity because of the significance of its operational and financial relationship with the District.

Recreation Commission - Argonia USD No. 359 Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies the taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property but can acquire real property by gift.

KMAAG Regulatory Basis of Presentation Fund Definitions:

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds-To account for the proceeds of specific receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended June 30, 2014.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds
District Activity Funds

Contingency Reserve Fund
Textbook and Student Material Revolving Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 2 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 3 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

Note 4 - Reimbursed Expenses:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

Note 5 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

		Transfer to:							
		At Risk (4 Year Old)	At Risk (K-12)	Capital Outlay	Driver Training	Food Service	Special Education	Vocational Education	Textbook and Student Material Revolving
Transfer from:									Total
General Fund	\$ 700	\$ 60,241	\$ 82,800	\$ 1,571	\$ 13,188	\$ 263,969	\$ 75,115	\$ 2,664	\$ 500,248
Supplemental General Fund	0	0	0	2,000	0	51,317	16,573	20,000	89,890
	<u>\$ 700</u>	<u>\$ 60,241</u>	<u>\$ 82,800</u>	<u>\$ 3,571</u>	<u>\$ 13,188</u>	<u>\$ 315,286</u>	<u>\$ 91,688</u>	<u>\$ 22,664</u>	<u>\$ 590,138</u>

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 6 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the Government. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2014.

At June 30, 2014, the District's carrying amount of deposits was \$909,834 and the bank balance was \$968,280. The bank balance is held by one bank. Of the bank balance, \$366,140 was covered by depository insurance, and the remaining \$602,140 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Note 7 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 8 - Defined Benefit Pension Plan:

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer, defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Ave., Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 11.12% of covered payroll for the year ended June 30, 2014. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for all Kansas public school employees for the years ending June 30, 2014, 2013 and 2012 were \$361,575,393, \$323,067,803 and \$298,635,383 respectively, equal to the required contributions for each year.

Note 9 - On-Behalf Payments for Fringe Benefits and Salaries:

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERS) on behalf of the District's employees. For the year ended June 30, 2014, the State made contributions of \$124,360. These contributions are recorded in the KPERS Contribution Fund as receipts and expenditures.

Note 10 - Subsequent Events:

The District has evaluated subsequent events through August 19, 2014, the date which the financial statement was available to be issued.

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Certified Budget	Adjustment to		Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
		Comply with Legal Max	Comply with				
General Fund	\$ 1,603,516	\$ (34,542)	\$	\$ 159,961	\$ 1,728,935	\$ 1,728,935	\$ 0
Special Purpose Funds							
Supplemental General	530,000	0	0	0	530,000	530,000	0
At Risk (4 Year Old)	1,000	0	0	0	1,000	700	(300)
At Risk (K-12)	63,204	0	0	0	63,204	60,241	(2,963)
Capital Outlay	1,990,000	0	0	0	1,990,000	1,255,989	(734,011)
Driver Training	4,935	0	0	0	4,935	3,507	(1,428)
Food Service	102,184	0	0	0	102,184	80,457	(21,727)
Special Education	344,944	0	0	0	344,944	308,913	(36,031)
Vocational Education	94,217	0	0	0	94,217	86,688	(7,529)
KPERS Contribution	136,136	0	0	0	136,136	124,360	(11,776)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	49,357	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook and Student Material							
Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	52,002	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	12,084	XXXXXXXXXX
Related Municipal Entity							
Recreation Commission	120,000	0	0	0	120,000	51,710	(68,290)
	\$ 4,990,136	\$ (34,542)	\$	\$ 159,961	\$ 5,115,555	\$ 4,344,943	\$ (884,055)

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 288,759	\$ 414,161	\$ 251,096	\$ 163,065
State Sources	<u>1,376,327</u>	<u>1,314,774</u>	<u>1,351,040</u>	<u>(36,266)</u>
	<u>1,665,086</u>	<u>1,728,935</u>	<u>\$ 1,602,136</u>	<u>\$ 126,799</u>
Expenditures				
Instruction	786,699	837,557	\$ 806,901	\$ 30,656
Student Support Services	41,178	35,920	40,170	(4,250)
Instructional Support Staff	23,754	27,430	24,368	3,062
General Administration	121,291	129,485	123,291	6,194
School Administration	142,322	141,466	146,231	(4,765)
Operations & Maintenance	0	3,000	0	3,000
Student Transportation Services	55,857	12,598	0	12,598
Other Supplemental Services	35,565	41,231	38,262	2,969
Transfers	457,040	500,248	424,293	75,955
Adjustment to Comply With Legal Max	0	0	(34,542)	34,542
Adjustment for Qualifying Budget Credits	<u>0</u>	<u>0</u>	<u>159,961</u>	<u>(159,961)</u>
	<u>1,663,706</u>	<u>1,728,935</u>	<u>\$ 1,728,935</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	1,380	0		
Unencumbered Cash, Beginning	0	1,380		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,380</u>	<u>\$ 1,380</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 297,249	\$ 364,817	\$ 340,234	\$ 24,583
County Sources	27,904	27,989	26,765	1,224
State Sources	106,121	119,951	117,984	1,967
	<u>431,274</u>	<u>512,757</u>	<u>\$ 484,983</u>	<u>\$ 27,774</u>
Expenditures				
Instruction	116,700	110,704	\$ 122,200	\$ (11,496)
Operations & Maintenance	193,841	222,992	200,196	22,796
Student Transportation Services	55,112	106,414	120,820	(14,406)
Transfers	34,379	89,890	86,784	3,106
	<u>400,032</u>	<u>530,000</u>	<u>\$ 530,000</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	31,242	(17,243)		
Unencumbered Cash, Beginning	13,775	45,017		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 45,017</u>	<u>\$ 27,774</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>At Risk Fund (4 Year Old)</u>	<u>Current Year</u>			<u>Variance - Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Transfers	\$ 700	\$ 700	\$ 1,000	\$ (300)
	<u>700</u>	<u>700</u>	<u>\$ 1,000</u>	<u>\$ (300)</u>
Expenditures				
Instruction	700	700	\$ 1,000	\$ (300)
	<u>700</u>	<u>700</u>	<u>\$ 1,000</u>	<u>\$ (300)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>At Risk Fund (K-12)</u>	<u>Current Year</u>			<u>Variance - Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Transfers	\$ 66,014	\$ 60,241	\$ 63,204	\$ (2,963)
	<u>66,014</u>	<u>60,241</u>	<u>\$ 63,204</u>	<u>\$ (2,963)</u>
Expenditures				
Instruction	66,014	60,241	\$ 63,204	\$ (2,963)
	<u>66,014</u>	<u>60,241</u>	<u>\$ 63,204</u>	<u>\$ (2,963)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 41,843	\$ 1,142,740	\$ 1,510,326	\$ (367,586)
County Sources	4,170	3,822	3,485	337
Transfers	13,522	82,800	25,000	57,800
	<u>59,535</u>	<u>1,229,362</u>	<u>\$ 1,538,811</u>	<u>\$ (309,449)</u>
Expenditures				
Instruction	0	45,636	\$ 150,000	\$ (104,364)
Operations & Maintenance	0	0	80,000	(80,000)
Transportation	72,614	53,900	100,000	(46,100)
Other Support Services	0	0	5,000	(5,000)
Facility Acquisition & Construction Services	17,412	1,156,453	1,655,000	(498,547)
	<u>90,026</u>	<u>1,255,989</u>	<u>\$ 1,990,000</u>	<u>\$ (734,011)</u>
Receipts Over (Under) Expenditures	(30,491)	(26,627)		
Unencumbered Cash, Beginning	506,804	476,313		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 476,313</u>	<u>\$ 449,686</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Driver Training Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
Local Sources	\$ 0	\$ 1,200	\$ 1,500	\$ (300)
State Sources	744	0	1,725	(1,725)
Transfers	0	3,571	974	2,597
	<u>744</u>	<u>4,771</u>	<u>\$ 4,199</u>	<u>\$ 572</u>
Expenditures				
Instruction	8	3,507	\$ 4,935	\$ (1,428)
	<u>8</u>	<u>3,507</u>	<u>\$ 4,935</u>	<u>\$ (1,428)</u>
Receipts Over (Under) Expenditures	736	1,264		
Unencumbered Cash, Beginning	0	736		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 736</u>	<u>\$ 2,000</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Food Service Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 27,348	\$ 26,605	\$ 27,618	\$ (1,013)
State Sources	741	792	644	148
Federal Sources	30,073	36,772	28,973	7,799
Transfers	28,863	13,188	16,849	(3,661)
	<u>87,025</u>	<u>77,357</u>	<u>\$ 74,084</u>	<u>\$ 3,273</u>
Expenditures				
Operations & Maintenance	110	570	\$ 50	\$ 520
Food Service Operations	85,797	79,887	102,134	(22,247)
	<u>85,907</u>	<u>80,457</u>	<u>\$ 102,184</u>	<u>\$ (21,727)</u>
Receipts Over (Under) Expenditures	1,118	(3,100)		
Unencumbered Cash, Beginning	26,982	28,100		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 28,100</u>	<u>\$ 25,000</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 15,925	\$ 46,532	\$ 15,000	\$ 31,532
Transfers	295,624	315,286	309,833	5,453
	<u>311,549</u>	<u>361,818</u>	<u>\$ 324,833</u>	<u>\$ 36,985</u>
Expenditures				
Instruction	<u>347,520</u>	<u>308,913</u>	<u>\$ 344,944</u>	<u>\$ (36,031)</u>
	<u>347,520</u>	<u>308,913</u>	<u>\$ 344,944</u>	<u>\$ (36,031)</u>
Receipts Over (Under) Expenditures	(35,971)	52,905		
Unencumbered Cash, Beginning	135,963	99,992		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 99,992</u>	<u>\$ 152,897</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Vocational Education Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers	\$ 86,696	\$ 91,688	\$ 94,217	\$ (2,529)
	<u>86,696</u>	<u>91,688</u>	<u>\$ 94,217</u>	<u>\$ (2,529)</u>
Expenditures				
Instruction	86,696	86,688	\$ 94,217	\$ (7,529)
	<u>86,696</u>	<u>86,688</u>	<u>\$ 94,217</u>	<u>\$ (7,529)</u>
Receipts Over (Under) Expenditures	0	5,000		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 5,000</u>		

**ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS**

FOR THE YEAR ENDED JUNE 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 112,509	\$ 124,360	\$ 136,136	\$ (11,776)
	<u>112,509</u>	<u>124,360</u>	<u>\$ 136,136</u>	<u>\$ (11,776)</u>
Expenditures				
Instruction	71,423	80,834	\$ 86,420	\$ (5,586)
Student Support Services	3,375	3,731	4,084	(353)
Instructional Support Staff	2,250	2,487	2,723	(236)
General Administration	5,152	4,042	6,234	(2,192)
School Administration	13,298	13,991	16,091	(2,100)
Other Supplemental Services	2,318	2,798	2,805	(7)
Operations and Maintenance	6,818	7,773	8,250	(477)
Student Transportation Services	4,500	4,974	5,445	(471)
Food Service	3,375	3,730	4,084	(354)
	<u>112,509</u>	<u>124,360</u>	<u>\$ 136,136</u>	<u>\$ (11,776)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Federal Funds</u>		
	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 49,896	\$ 51,488
	<u>49,896</u>	<u>51,488</u>
Expenditures		
Instruction	52,027	49,357
	<u>52,027</u>	<u>49,357</u>
Receipts Over (Under) Expenditures	(2,131)	2,131
Unencumbered Cash, Beginning	0	(2,131)
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ (2,131)</u>	<u>\$ 0</u>

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Contingency Reserve Fund</u>		
	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	110,000	110,000
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 110,000</u>	<u>\$ 110,000</u>

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Textbook and Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 9,737	\$ 5,083
Transfers	0	22,664
	<u>9,737</u>	<u>27,747</u>
Expenditures		
Instruction	<u>23,310</u>	<u>52,002</u>
	<u>23,310</u>	<u>52,002</u>
Receipts Over (Under) Expenditures	(13,573)	(24,255)
Unencumbered Cash, Beginning	57,828	44,255
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 44,255</u>	<u>\$ 20,000</u>

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
High School				
Class of 2014	\$ 1,279	\$ 2,392	\$ 3,671	\$ 0
Class of 2015	2,289	3,719	4,358	1,650
Class of 2016	964	1,044	210	1,798
Class of 2017	0	346	22	324
Concessions	1,160	7,192	6,737	1,615
Yearbook	97	1,865	68	1,894
Drama Club	1,137	493	306	1,324
Stuco	351	1,933	2,089	195
Cheerleaders	235	275	231	279
Music Club	162	1,133	635	660
Jr. High Cheerleaders	404	291	273	422
Football Club	477	215	646	46
Basketball Club	0	600	359	241
Math Club	290	0	60	230
National Honor Society	870	542	1,106	306
Kay Club	0	503	178	325
FACS	1,333	788	751	1,370
	<u>11,048</u>	<u>23,331</u>	<u>21,700</u>	<u>12,679</u>
Argonia Community Scholarship	<u>2,663</u>	<u>6</u>	<u>0</u>	<u>2,669</u>
Total Agency Funds	<u>\$ 13,711</u>	<u>\$ 23,337</u>	<u>\$ 21,700</u>	<u>\$ 15,348</u>

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Unencumbered Cash Balance	Prior Year		Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add		Ending Cash Balance
		Encumbrances	Canceled				Encumbrances and Accounts Payable		
High School									
Gate Receipts	\$ 3,693	\$ 0	\$ 0	\$ 11,923	\$ 12,084	\$ 3,532	\$ 0	\$ 0	\$ 3,532

**ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
RELATED MUNICIPAL ENTITY
RECREATION COMMISSION
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)**

<u>General Fund</u>	<u>Current Year</u>		<u>Variance - Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual Budget</u>	
Cash Receipts			
Local Sources	\$ 34,918	\$ 38,298 \$ 35,856	\$ 2,442
County Sources	3,646	3,488 3,041	447
	<u>38,564</u>	<u>41,786</u> <u>\$ 38,897</u>	<u>\$ 2,889</u>
Expenditures			
Community Service Operations	<u>19,785</u>	<u>51,710</u> \$ 120,000	\$ (68,290)
	<u>19,785</u>	<u>51,710</u> <u>\$ 120,000</u>	<u>\$ (68,290)</u>
Receipts Over (Under) Expenditures	18,779	(9,924)	
Unencumbered Cash, Beginning	88,362	107,141	
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>	
Unencumbered Cash, Ending	<u>\$ 107,141</u>	<u>\$ 97,217</u>	

FEDERAL AWARD INFORMATION

ARGONIA UNIFIED SCHOOL DISTRICT NO. 359
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grant Title	Federal CFDA No.	Program Amount	Unencumbered		Receipts	Expenditures	Unencumbered Cash 6-30-14
			7-1-13	Cash			
Department of Education							
Rural Education Achievement Program	84.358	\$ 9,755	\$ 0	\$ 9,755	\$ 9,755	\$ 0	\$ 0
(Passes Through Kansas Department of Education)							
Department of Agriculture							
School Breakfast Program	10.553	6,677					
National School Lunch Program	10.555	30,095					
		36,772	0	36,772	36,772	0	0
Department of Education							
Title I Low Income	84.010	24,045	(2,131)	26,176	24,045	0	0
Title II	84.367	13,208	0	13,208	13,208	0	0
		37,253	(2,131)	39,384	37,253	0	0
(Passes Through South Central Kansas Education Service Center)							
Department of Education							
Carl Perkins	84.048	2,349	0	2,349	2,349	0	0
Total Federal Awards		\$ 86,129	\$ (2,131)	\$ 88,260	\$ 86,129	\$ 0	\$ 0